DECLASSIFIED PA/HO, Department of State E.O. 12958, as amended June 22, 2004

MEMORANDUM

Land of the Contraction

ACTION - 26997 30876

NATIONAL SECURITY COUNCIL

COMPUDENTIAL

August 6, 1971

MEMORANDUM FOR:

DR. KISSINGER

FROM:

MICHAEL GUHIN

SUBJECT:

Post-Apollo Space Cooperation Meeting

You are scheduled to meet with Drs. David, Whitehead (for Mr. Flanigan), Low (for Fletcher) and Under Secretary Johnson on Monday, August 9, at 11:30, on the subject of post-Apollo space cooperation with the Europeans. Ambassador Johnson will be accompanied by Mr. Pollack (Director, Bureau of International Scientific and Technological Affairs); Dr. David by Dr. Neureiter.

Primary Goal of the Meeting. Your main goal at this meeting should be to to reach agreement on the following as guidelines for further discussions with the Europeans on post-Apollo space cooperation (Secretary Rogers sought Presidential guidance on March 23 before proceeding in negotiations):

- -- Continue discussions with the Europeans on post-Apollo cooperation but at a technical level and with a clear understanding that the discussions involve no precommitment;
- -- Separate the launch assurance question to the degree possible and at least not condition US launch assurances on European post-Apollo participation;
- -- Be responsive and forthcoming to the Europeans concerns regarding launch assurances:
- -- Be prepared to discuss other space cooperation alternatives at an appropriate time; and
- -- Reaffirm our interest in international space cooperation in general terms.

Agency Positions. After reviewing NASA's June 2 paper on technology transfer and alternatives for cooperation, which was requested at your April 23 meeting on this subject, Dr. David wrote you and Mr. Flanigan proposing a course along the above lines and noting Dr. Fletcher's concurrence. Dr. David is not prepared to have us committed to a cooperative space transportation system (STS) development program pending further review of NASA's details, more technical level discussions with the Europeans, and sufficiently definitive US shuttle planning. Ambassador Johnson will probably agree with the above guidelines.

COMPIDING

CONTIDENTIAL 2

<u>Dr. Whitehead</u> will also agree on the launch assurances aspects, <u>but may</u> still object to the resumption of US-European discussions even at a technical level on the grounds that (1) cooperation in STS development is not in US interests from the standpoint of technology transfer and program management, (2) even technical talks imply commitment to cooperation in STS development, and (3) we should be very forthcoming on giving the Europeans launch assurances and leave the matter at that.

Comment on Dr. Whitehead's Possible Objections. Technical talks often take on a life of their own and a close rein and clear understanding on both sides would be required in this case. While NASA's list of advantages in STS cooperation still lack sufficient analysis, Dr. Whitehead's disadvantages are to date based on even less detailed analysis. We should not affront European sensibilities by abandoning a course pursued over two years without good analysis to prove it has been a mistake. Technical discussions should provide a basis for such analysis and a decision whether or not to proceed. If Dr. Whitehead objects to resuming technical discussions, his objections should be requested for incorporation in a memorandum for the President.

The Question of a Launch Assurances Formula. This issue involves what form our guarantee for launching other countries' satellites should take. The agencies agree on all aspects of a policy here except for the question on how we should handle a request for launch assistance for a telecommunications satellite in the absence of a "favorable" recommendation by INTELSAT. (State's analysis of the issue is in your book.)

Agency Positions. In the absence of a "favorable" INTELSAT recommendation— "favorable" by our definition of obligations which is not universally shared— State believes we should say only that (1) we would still consider providing launch assistance depending on the situation, and (2) we would expect to provide such assistance for those systems which we had supported in INTELSAT and which had been supported by a majority of its members. (Our last position with the Europeans demanded approval by two-thirds of INTELSAT's members.)

Dr. David, Dr. Whitehead and perhaps Dr. Fletcher believe we should be more forthcoming by agreeing that, in such cases, we would still be willing to sell appropriate launch vehicles for launching from foreign sites and thereby put launch vehicles on a commercial basis. (State's position would probably still apply to requests for launching from US sites.)

Dr. Whitehead will probably also suggest (as he has already suggested to Mr. Flanigan and Dr. David) that we adopt this forthcoming position and present it as a Presidential initiative applicable to all after it is worked out with the Europeans.

DECLASSIFIED PA/HO, Department of State E.O. 12958, as amended June 22, 2004

GENTIDENTIAL 3

Comment on Agency Positions. The more forthcoming position would most surely meet European concerns that we not retain a unilateral veto and allow them to interpret their international obligations (e.g., France maintains that a two-thirds negative vote by INTELSAT is required to veto a proposed system, whereas State maintains a two-thirds positive vote is needed to approve a system). The INTELSAT arrangements are deliberately vague on this point.

I have no problems with the more forthcoming approach and believe that State's position could be considered as "too little, too late" by the Europeans. But State's position can be considered a reasonable negotiating "opener" as long as it is recognized that a more forthcoming position may soon be in order to reach agreement with the Europeans.

To avoid getting bogged down in the question of formulas, you may wish only to hear both sides out and then suggest referring this question to the Ad Hoc Interagency Committee to define, in very short order, the options with their pros and cons for the President's decision. (Even if Ambassador Johnson were to agree to the more forthcoming position, which is not expected, we would still need more definition before pursuing such a course.)

Lastly, I believe the Ad Hoc Committee should be asked to consider the idea of our sending a delegation to Europe since a reply to Minister LeFevre's letter has been delayed several months and a delegation with the aim of resolving the launch assurance question would be a forthcoming move in itself.

Talking points for the meeting are at the first tab. They reflect the foregoing recommendations and divide the meeting into two parts: (1) basic guidelines for replying to the Europeans and pursuing cooperation; and (2) the question of a launch assurances formula. All the materials referred to in this memorandum are at identified tabs in your book. Immediately following the meeting, I will prepare the necessary implementing memoranda.

Background Note. While the NASA paper generally concludes that there are no serious technology transfer problems in cooperative STS development, the paper lacks sufficient analysis in support of this conclusion. (If you wish more information, my summary of the paper is tabbed.) Dr. David attaches a summary of the NASA paper to his memorandum along with a draft reply to Secretary Rogers' March 23 memorandum for the President.

RECOMMENDATION

That you note the talking points for your meeting on the subject of post-Apollo space cooperation with the Europeans.

cc: Helmut Sonnenfeldt